



Australian Government

Registered Organisations Commission

Conclusion of inquiry into the Master Builders' Association of New South Wales (MBANSW)

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22 August 2018

On 10 August 2018, the Registered Organisations Commission (ROC) concluded an inquiry into the Master Builders' Association of New South Wales (MBANSW).

The inquiry commenced on 8 May 2018 and related to compliance by the MBANSW and its auditor with their obligations in respect of financial reporting and particularly the requirement for the auditor to have been registered under the *Fair Work (Registered Organisations) Act 2009* (RO Act) before being engaged to undertake an audit.

The inquiry identified that while it is likely certain provisions of the RO Act had been contravened, both by the MBANSW and the auditor, those contraventions were caused by a delay in the auditor becoming registered in accordance with statutory requirements introduced for the first time on 2 May 2017. In those circumstances and in light of the willingness both by the MBANSW and the auditor to co-operate with the inquiry and promptly remediate the issues, the ROC has advised the MBANSW and the auditing firm that it proposes to take no further action.

The inquiry serves as a timely reminder for registered organisations to be across their regulatory obligations with respect to financial reporting and in particular the registration with the ROC of their auditor. Meeting these obligations helps to deliver

high standards of financial accountability and transparency in the interests of their members.

Background

Since the amendment of the RO Act effective 2 May 2017, reporting units have been required to prepare a financial report audited by an auditor registered by the Registered Organisations Commissioner. Since that time, 446 (99.33%) of the 449 financial reports which have been lodged with the ROC have been audited by registered auditors. This means that only three (3) financial reports lodged with the ROC since 2 May 2017 were audited by persons who were not registered under the RO Act.

Having conducted an extensive education and awareness campaign about the requirement for auditors to become registered, since 2 May 2017, the ROC has registered 268 auditors.

The ROC has extensive available information to assist registered organisations and their auditors to understand and comply with their regulatory obligations on its website via this direct link: <http://www.roc.gov.au/running-a-registered-organisation/registration-of-auditors>.

For more information, registered organisations and auditors can contact the ROC on 1300 341 665 or email regorgs@roc.gov.au.

Media Contact: (03) 9603 0767 or media@roc.gov.au